

**SUMMARY OF MAJOR CHANGES TO
DOD 7000.14-R, VOLUME 7A, CHAPTER 47
“SERVICEMEMBERS’ GROUP LIFE INSURANCE (SGLI) PROGRAM”**

Substantive revisions are denoted by a ★ preceding the section, paragraph, table or figure that includes the revision

PARA	EXPLANATION OF CHANGE/REVISION	EFFECTIVE DATE
470103 470106 4711 Bibliography	Incorporates interim change 48-01 regarding life insurance for family members of the service member under the Veterans Survivor Benefits Improvement Act of 2001.	November 1, 2001
Table 47-1, Rule 10	Incorporates interim change 49-01 regarding Servicemembers’ Group Life Insurance for the Reserve Component.	December 12, 2001

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CHAPTER 47

SERVICEMEMBERS' GROUP LIFE INSURANCE (SGLI) PROGRAM4701 DEFINITIONS

470101. Active Duty. Full time duty in the Armed Forces other than active duty for training and full time duty as a cadet or midshipman at a Military Service academy.

470102. Active Duty for Training. Full time duty in the Armed Forces for training purposes performed by members of a Reserve Component, full time National Guard duty and full time duty as a cadet or midshipman of the Reserve Officers Training Corps (ROTC) while attending field training or practice cruises.

★ 470103. Coverage. Servicemembers' Group Life Insurance is payable upon the death of the member, and family coverage is payable upon the death of the spouse or dependent child (insurable dependent).

470104. Inactive Duty Training. Duty (other than full time duty) prescribed or authorized for members of a Reserve Component that is scheduled in advance by competent authority with a specific time and place designated. This does not include work or study performed in connection with correspondence courses or attendance at educational institutions in an inactive status.

470105. Member. A person on active duty, active duty for training, or inactive duty training with the Uniformed Services in a commissioned, warrant, or enlisted rank or grade; a cadet or midshipman at a Military Service academy; or a cadet or midshipman of the ROTC while performing field training or practice cruises.

★ 470106. Insurable Dependent. The member's spouse (to include military spouse for family coverage) and children as defined in the first sentence of Title 38, United States Code (U.S.C.), section 101(4)(a).

4702 GENERAL

Members (defined in paragraph 470105, above) who receive basic pay for 1 or more days per month are responsible for SGLI premiums (coverage listed in section 4703, below) unless they waive coverage.

4703 FULL TIME COVERAGE

The SGLI Program is administered by the Department of Veterans Affairs (VA).

470301. Basic Coverage. Effective April 1, 2001, this program automatically insures eligible members against death in the amount of \$250,000 when the member is performing active duty or active duty for training for an ordered period of more than 30 days, or while on full time duty as a cadet or midshipman at a Service Academy. All members of the Selected Reserve, as well as any other Ready Reserve members who are assigned or attached to a unit or position that may require performing active duty or active duty for training and that will be scheduled to perform at least 12 periods of inactive duty for training annually, also are covered full time (includes, but is not limited to training and retired categories A, B, C, D, F, H, L, P, Q, T, and U). Members may elect coverage for an amount less than \$250,000, in \$10,000 increments, or may elect to waive coverage.

470302. Changes in Coverage. A member who is covered for an amount less than maximum SGLI coverage later may apply for increased coverage in writing in an amount of up to maximum SGLI coverage with proof of good health. See Table 47-1, note 7, for the only exception to the proof of good health requirement.

4704 PERIODS OF COVERAGE

See Table 47-1.

4705 APPELLATE LEAVE (WHETHER OR NOT EXCESS)

Continue coverage when that coverage was never terminated prior to being placed on appellate leave (in a full duty status or never confined with loss of full pay and allowances). When placed on appellate leave following confinement with total forfeiture of pay and allowances (during which coverage had been properly stopped, see Table 47-1, rule 9), coverage is not reinstated. If appellate leave followed a restoration to duty with pay, coverage is reinstated on the date the member returns to a full duty status and continues during the period of excess leave. Coverage is reinstated at the amount in effect on the day prior to its stoppage.

4706 FORFEITURE OF COVERAGE

Any person guilty of mutiny, treason, spying, desertion, or who, because of conscientious objections, refuses to perform service in the Armed Forces of the United States, or refuses to wear the uniform of the Armed Forces, forfeits all rights to any coverage. This insurance is not payable for death inflicted as a lawful punishment for crime or for military or naval offense, except when inflicted by an enemy of the United States.

4707 DEDUCTIONS (SGLI PREMIUMS)

When a member is in a status referred to in section 4703, above (i.e., eligible for full time coverage), the monthly deduction (effective July 1, 1998) is \$.80 for each \$10,000 of coverage. (NOTE: Effective July 1, 1997, the monthly deduction was \$.85 for each \$10,000 of coverage.) For rules concerning starting and stopping deductions, see Table 47-1. Monthly deductions are

not prorated for partial months of service. Deduct the full monthly premium for any month in which a member is covered for at least one day. During months in which coverage amounts change, deduct the full month's premium for the higher coverage rate.

4708 REFUNDS

Refunds shall not be made of amounts deducted before the effective date of any election for reduced or waived coverage. When a request for reinstatement of coverage or for increased coverage is rejected by the Office of Servicemembers' Group Life Insurance (OSGLI), any increase in premiums withheld pending OSGLI rejection shall be credited to the member's pay account.

4709 EXTRA HAZARD COSTS

470901. Cost. In addition to the deduction from the member's pay, each Military Service contributes from its appropriations an amount (determined by the Department of Veteran Affairs) attributable to the extra hazard cost of SGLI. This premium reflects the cost of death claims in excess of the level of death claims that would result from normal peacetime service.

470902. Payment. The Military Services centrally pay the premium for extra hazard costs, along with the member premiums to the Department of Veteran Affairs.

4710 SETTLEMENT OF SGLI CLAIMS

Death claims are filed with the OSGLI. The order of precedence for payment is the same as prescribed for arrears of pay (see section 3602 of this volume). The OSGLI shall reduce the insurance proceeds by the amount of any member premiums not paid.

★4711 FAMILY COVERAGE UNDER SGLI (FSGLI)

471101. Eligibility. Effective November 1, 2001, FSGLI automatically covers spouses and dependent children (insurable dependents) of uniformed service members. In order for the spouse and children to be eligible for family coverage, the service member shall be enrolled in the full-time SGLI coverage. Enrollment for members of the Uniformed Services is based on dependent information in the Defense Enrollment Eligibility Reporting System (DEERS). For Marine Corps members, enrollment is based on dependent information on the Marine Corps Total Force System (MCTFS).

471102. Spousal Coverage. A spouse of an eligible member automatically is covered in the amount of \$100,000. Coverage of a spouse, however, cannot exceed the member's SGLI coverage if such coverage is less than \$100,000. For example, if the member's SGLI coverage is \$80,000, then the coverage for the spouse cannot exceed \$80,000.

471103. Cost. The premiums are based on the age and the amount of coverage of the spouse. The premium rates for the spouse are as follows:

Age	Monthly Rate (Per \$10,000)	Monthly Cost (Per \$100,000)
Under 35	\$0.90	\$9.00
35 - 44	\$1.30	\$13.00
45 - 49	\$2.00	\$20.00
50 - 54	\$3.20	\$32.00
55 - Over	\$5.50	\$55.00

471104. Children's Coverage. Each child is covered in the amount of \$10,000 at no cost to the member. The member may not decline coverage or elect to insure any child for less than \$10,000. In the case of a member married to another member, a child may not be insured by more than one member. The child shall be insured by the coverage of the member whose eligibility for insurance occurred first, except in cases where the senior member does not have legal custody of the child. In such cases, the child shall be insured under the coverage of the member who has custody of the child.

471105. Member Married to Member. A member married to another member is eligible for coverage under this program. A member shall ensure that information contained in the DEERS/MCTFS is updated to reflect that the spouse is a member of the Uniformed Services so they can be enrolled automatically in FSGLI. Refer to paragraph 471104, above, for children's coverage.

471106. Effective Date. Family Coverage under SGLI is effective with regard to a member and dependents of that member on the latest of the following dates:

- A. The date member enrolled in SGLI;
- B. In the case of the spouse, the date of marriage;
- C. In the case of the child, the date of birth. If the child is not a natural child of the member, the date which the child acquires status as dependent of the member; or
- D. November 1, 2001.

471107. Reinstatement or Increase in Coverage. The member must complete the VA Form SGLV 8285A ("Request for Family Coverage") to increase or reinstate FSGLI if coverage was previously reduced or declined. Proof of good health is required.

471108. Termination of Coverage

A. Family Coverage Under SGLI will stop 120 days after the date of an election made in writing by the member to terminate the coverage, or

B. On the earliest date of:

1. 120 days after the date of the member's death;
2. 120 days after the date of termination of the insurance on the member's life;
3. 120 days after the member separates from the Service; or
4. 120 days after the termination of the dependent status as an insurable dependent of the member.

471109. Refunds. See section 4708 of this chapter.

471110. Beneficiary. The member is the primary beneficiary for family coverage. For settlement of a claim, refer to section 4710 of this chapter.

EFFECTIVE DATES OF SGLI COVERAGE AND DEDUCTIONS (FULL TIME AND PART-TIME)			
R U L E	A	B	C
	When a member required to perform duty described in section 4703, or paragraphs 580106, 580108, or 580702	then the effective date of	and SGLI deduction (note 1)
1	enters such duty	coverage is the first day of entry on such duty (note 2). Maximum basic coverage is automatically in effect until the member elects reduced coverage or waives coverage (note 3)	starts the month of the date of entry.
2	resumes the obligation or reenters on such duty in the same Uniformed Service the day following termination of such period of obligation (note 4)	insurance coverage (excluding elections of reduced or no coverage) is continuous (note 5)	continues at the appropriate rate.
3	elects a reduced amount of coverage after entry on such duty	coverage is the first day of the month following receipt by the Uniformed Service of the member's election, entered on VA Form SGLV 8286 or, if applicable, DA Form 41 (note 6)	starts in the reduced amount the first day of the month following receipt of the member's election. For deduction refunds, see section 4708.
4	applies for increase or reinstatement of coverage after entry on such duty	coverage is the date of receipt by the Uniformed Service of the application with evidence of good health (note 7)	starts the month of the date the application is received by the Military Service.
5	elects not to be covered (declines or cancels) after entry on such duty	termination is the first day of the month following receipt by the Uniformed Service of the member's election, entered on VA Form SGLV 8286 (note 6)	stops at the end of the month in which the member's election is received by the Military Service. For deduction refunds, see section 4708.
6	is covered full time and is separated and does not reenter active duty or immediately resumes part-time coverage	termination is 120 days after separation (note 8)	stop at the end of the month of separation.
7	is covered on a part-time basis and qualified period of duty ends	termination is the day active duty or active duty for training ends, or the hour inactive duty ends (notes 3, 9 and 10)	see paragraph 580706.
8	is a member of a Reserve Component not covered on a full time basis and is called to active duty upon mobilization	coverage is the first day of active duty (maximum basic coverage is automatic unless a member applies for reduced or no coverage).	
9	is covered full time and is AWOL, confined by civil authorities under a sentence adjudged by a civilian court, or confined by military authorities under a court-martial sentence involving total forfeiture of pay and allowances	termination is at the end of the 31st continuous day of such status (note 11)	stops at the end of the month in which the 31 st day of such status is reached.

Table 47-1. Effective Dates of SGLI Coverage and Deductions (Full Time and Part Time)

EFFECTIVE DATES OF SGLI COVERAGE AND DEDUCTIONS (FULL TIME AND PART-TIME)			
R U L E	A	B	C
	When a member required to perform duty described in section 4703, or paragraphs 580106, 580108, or 580702	then the effective date of	and SGLI deduction (note 1)
10	★forfeits rights to SGLI under the provisions of section 4706 and paragraph 580708	termination is the end of the day before the date of conviction, refusal to perform service, or refusal to wear the uniform (note 12)	stops at the end of the month in which coverage is terminated.

NOTES:

- Members in an excess leave status normally remain eligible for coverage. (See section 4705 for the appellate leave exception.) Establish monthly premiums in such cases as deductions against member pay accounts or collect as cash according to procedures of the Military Service concerned.
- First time enlistees in the Selected Reserves are eligible for coverage on the date of enlistment when assigned to a Ready Reserve unit that meets the requirements of 38 U.S.C. 1965(5)(B), regardless if they are or are not required to participate in periods of inactive duty training and have not yet been called to their initial active duty period. This does not apply to delayed entry active duty enlistees.
- Elections made by Reserve Component members continue in effect during continuous obligation to perform duty in the same Uniformed Service. Reserve Component members are not required to reelect or reapply for their desired level of coverage each time they perform duty. For the exception, see rule 8.
- A new period of coverage begins and new elections must be submitted when a member resumes an obligation to perform duty or reenters on duty in the same Uniformed Service more than 1 day following termination of previous obligation; or when a member assumes an obligation to perform duty and enters on duty in a different Uniformed Service at any time. A member entering active duty after a break in service is automatically covered by the maximum basic coverage, until the member elects otherwise, even though the member may have converted former SGLI coverage to an individual policy following last discharge or release from active duty. A former member, insured under the Veterans Group Life Insurance (VGLI) Program, who declines SGLI coverage solely to maintain VGLI coverage, upon termination of VGLI, shall be automatically insured under maximum basic coverage if the member otherwise is qualified.
- Any previous election not to be insured or to be insured for less than \$250,000 is canceled. Maximum basic coverage is automatically in effect unless member again elects not to be insured or to be insured in a reduced amount.
- For members covered on a part-time basis, an election for reduced or no coverage is effective at the end of the last day of the duty period being performed. If the election is made outside a duty period, the reduced or waived coverage is effective when the election is received by the Military Service.
- Increase or reinstatement of coverage is contingent upon written application by the member on DVA Form SGLV 8285, Request for Insurance, and approval by the OSGLI.
- In the case of members totally disabled on the date of separation from such duty, the insurance shall cease 1 year after the date of separation or on the date the insured ceases to be totally disabled, whichever is earlier, but in no event prior to the expiration of 120 days after separation.
- Part-time coverage is in effect only on the days of active duty, active duty for training, and while remaining overnight immediately before the commencement of inactive duty training and while remaining overnight immediately before the commencement of inactive duty training, or while remaining overnight between successive period of inactive duty training, at or in the vicinity of the site of the inactive duty training, if the site is outside reasonable commuting distance from the member's residence and, including periods of travel to and from such duty.
- Coverage continues for 120 days after the period of duty if the member, during that duty period, incurs or aggravates a disability and the disability renders the member uninsurable at standard premium rates according to good health standards approved by the VA and as determined by the OSGLI.
- Members carried in an AWOL or confined status, except for an offense listed in section 4706, remain eligible for coverage. Insurance terminated under the provisions of rule 9, together with any elections made, will be automatically reinstated as of the date the member is restored to duty with pay. Start premium deductions at the appropriate rate on the month of the date the member is restored to duty with pay.
- Members restored to duty under conditions which, in effect, result in a remission of sentence may apply for reinstatement of coverage under rule 4.

★Table 47-1. Effective Dates of SGLI Coverage and Deductions (Full Time and Part Time) (Continued)

Chapter 47 - Servicemembers' Group Life Insurance (SGLI) Program

★ 4701 - Definitions

38 U.S.C. 1965-1976
Public Law 102-568,
October 29, 1992
38 CFR Part 9
DoD Directive 1215.6,
December 18, 1990
DoD Directive 1341.3,
August 16, 1984
Public Law 104-276,
section 405,
October 9, 1996

4703 - Full Time Coverage

470301

Public Law 104-106,
section 646,
February 10, 1996
Public Law 106-419,
section 312,
November 1, 2000
OASD(FMP)(MPP)
Memorandum,
March 12, 2001

4705 - Appellate Leave (Whether or Not Excess)

OSGLI Memos,
October 31, 1988, and
March 24, 1989

4707 - Deductions (SGLI Premiums)

Under Secretary of Veterans
Affairs Memo
March 27, 1998

★ 4711 - Family Coverage Under SGLI (FSGLI)

Public Law 107-14,
section 4
June 5, 2001

Table 47-1
Note 5

Para 1.09, H-29-75-1
(VA Handbook)